

CMD :  
OG5SECT

ONGARD  
INQUIRE LAND BY SECTION

05/23/06 09:04:39  
OGOMES -TQGI  
PAGE NO: 1

Sec : 12 Twp : 32N Rng : 07W Section Type : NORMAL

5	26.26	3	19.74	2	19.76
Federal owned U		Fee owned U		Fee owned U	
6	44.42	K	40.00	J	40.00
Federal owned U		Fee owned U		Fee owned U	
7	44.93	N	40.00	O	40.00
Federal owned U		Fee owned U		Fee owned U	
A A		A A		A C	

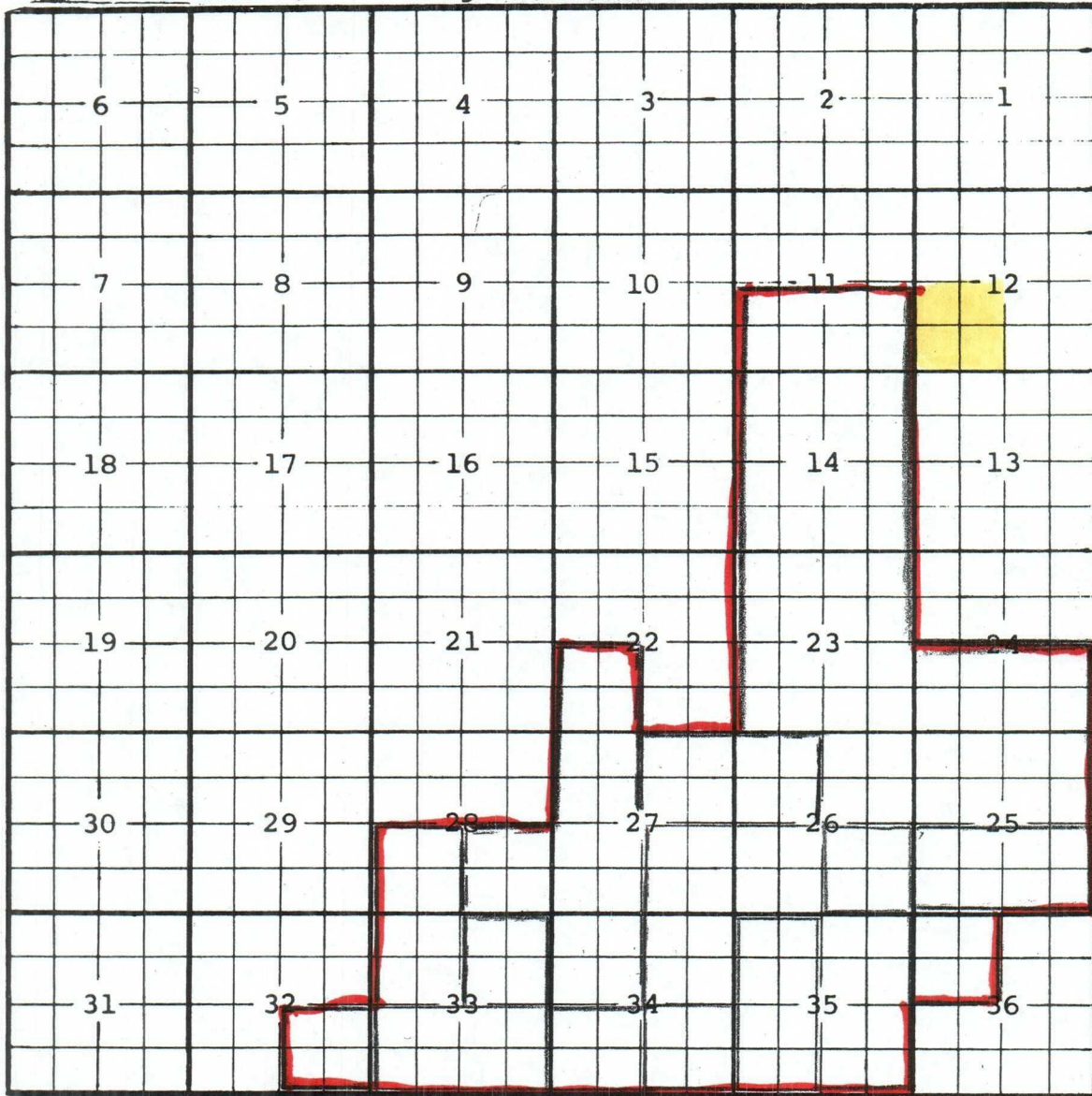
164.35

County San Juan Pool South Los Pinos Fruitland <sup>SAND</sup> Pictured Cliffs

TOWNSHIP 32 North

Range 7 West

NMPM



Ext:  $\frac{1}{2}$  Sec 35 (R-5772, 7-1-78) Ext:  $\frac{1}{2}$  Sec. 33 (R-6056-A, 7-17-79) Ext:  $\frac{SE}{4}$  Sec. 26,  $\frac{SE}{4}$  Sec. 34 (R-6327, 5-1-80)

Ext:  $\frac{SW}{4}$  Sec. 34 ~~Ext~~  $\frac{E}{2}$  Sec. 35 (R-6421, 8-1-80) Ext:  $\frac{1}{2}$  sec 25,  $\frac{SE}{4}$  sec 32,  $\frac{NE}{4}$  sec 33 (R-6886, 1-22-82)

Ext:  $\frac{SW}{4}$  Sec. 26,  $\frac{SE}{4}$  Sec. 27,  $\frac{NE}{4}$  Sec. 34,  $\frac{NW}{4}$  Sec. 36 (R-7046, 8-6-82)

Ext:  $\frac{SW}{4}$  Sec. 28,  $\frac{NW}{4}$  Sec. 33 (R-8417, 3-24-87) REDESIGNATED (R-8769, 10-1-88)

Ext:  $\frac{SW}{4}$  Sec. 22,  $\frac{W}{2}$  Sec. 27,  $\frac{SE}{4}$  Sec. 28,  $\frac{NW}{4}$  Sec. 34 (R-11115, 1-7-99)

Ext:  $\frac{NW}{4}$  Sec. 26,  $\frac{NE}{4}$  Sec. 27 (R-11445, 9-5-00)

Ext:  $\frac{1}{2}$  Sec. 11, All Secs. 14 and 23,  $\frac{1}{2}$  Sec. 24,  $\frac{1}{2}$  Sec. 25,  $\frac{NE}{4}$  Sec. 26 (R-11540, 2-26-01)

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY  
THE OIL CONSERVATION COMMISSION OF THE  
STATE OF NEW MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 224  
ORDER NO. R-24

THE APPLICATION OF AMERADA PETROLEUM CORPORATION FOR AN ORDER FOR FINAL APPROVAL OF THE ALLISON UNIT AGREEMENT EMBRACING LANDS LOCATED AS DESCRIBED IN THE APPLICATION IN TOWNSHIP 32 NORTH, RANGE 6 WEST, AND TOWNSHIP 32 NORTH, RANGE 7 WEST, N.M.P.M., SAN JUAN COUNTY, NEW MEXICO, AND OTHER LANDS LOCATED IN THE STATE OF COLORADO, ALL CONTAINING 13,774.22 ACRES.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause coming on for hearing at 10:00 o'clock a.m., on the 14th day of June, 1950 before the Oil Conservation Commission pursuant to notice heretofore duly given by said Commission;

The Commission having heard and considered testimony adduced at said hearing, being fully advised in said premises:

FINDS that the Allison Unit Plan will in principle tend to promote the conservation of oil and gas, and a prevention of waste;

IT IS THEREFORE ORDERED:

That the order herein shall be known as the:

"ALLISON UNIT AGREEMENT ORDER"

SECTION 1. (a) That the Unit herein shall be known as the Allison Unit Agreement, and shall hereinafter be referred to as the Unit.

(b) That the plan by which the unit shall be operated shall be embraced in the form of unit agreement for the development and operation of the Allison Unit Area referred to in the petitioner's petition and filed with said petition, and such plan shall be known as the Allison Unit Agreement Plan.

SECTION 2. That the Allison Unit Agreement Plan shall be and is hereby approved in principle as a proper conservation measure; provided, however, that notwithstanding any of the provisions, contained in said Unit Agreement, this approval of said agreement shall not be considered as waiving or relinquishing in any manner any rights, duties or obligations which are now or may hereafter be vested in the New Mexico Oil Conservation Commission by law relative to the supervision and control of operations for exploration and development of any lands committed to said Allison Unit Agreement or relative to the production of oil and gas therefrom.

SECTION 3. (a) That the Unit Area shall be:

NEW MEXICO PRINCIPAL MERIDIAN

TOWNSHIP 32 NORTH, RANGE 6 WEST, N.M.P.M., NEW MEXICO

	<u>ACRES</u>
Section 7: Lots 1,2,3,4,5,6,7; SE/4 NW/4 E/2 SW/4; S/2 NE/4; SE/4 All	549.74
" 8: Lots 1,2,3,4; S/2 N/2; S/2	544.82
" 9: SW/4	160.00
" 16: W/2	320.00
" 17: All	640.00
" 18: Lots 1,2,3,4; E/2 W/2; E/2 All	637.82
" 19: Lots 1,2,3,4; E/2 W/2; E/2 All	636.83
" 20: All	640.00
" 21: W/2	320.00
" 28: W/2	320.00
" 29: All	640.00
" 30: Lots 1,2,3,4; E/2 W/2; E/2 All	634.42
" 31: Lot 1; NE/4 NW/4; NE/4; N/2 SE/4	318.39

TOWNSHIP 32 NORTH, RANGE 7 WEST, N.M.P.M., NEW MEXICO

Section 9: Lots 1,2,3; SE/4; E/2 SW/4	298.15
" 10: Lots 1,2,3,4; S/2 (Fractional, All)	397.56
" 11: Lots 1,2,3,4; S/2 " "	398.25
" 12: Lots 1,2,3,4; S/2 " "	399.00
" 13: All	640.00
" 14: All	640.00
" 15: All	640.00
" 16: E/2	320.00
" 23: NW/4; E/2	480.00
" 24: All	640.00
" 25: NW/4; N/2 NE/4; S/2 NE/4	320.00
" 26: NE/4	160.00

TOWNSHIP 32 NORTH, RANGE 6 WEST, N.M.P.M., COLORADO

Section 19: Fractional, All	450.68
" 20: Lots 1,2,3,4; S/2 N/2; N/2 NE/4; N/2 NW/4 (Fractional, All)	448.96
" 21: Lots 1,2,3,4; S/2 N/2; NW/4 NW/4	328.40
" 22: Lots 1,2,3,4; SW/4 NE/4; S/2 NW/4	246.24

TOWNSHIP 32 NORTH, RANGE 7 WEST, N.M.P.M., COLORADO

Section 23: Lot 1; E/2 NE/4	119.60
" 24: Fractional, All	<u>475.36</u>

TOTAL ACRES 13,774.22

(b) The above reference to land in the State of Colorado shall not be construed as any attempt on the part of this Commission to exercise jurisdiction over such lands.

(c) The Unit area may be enlarged or diminished as provided in said Plan.

SECTION 4. That the Unit operator shall file with the Commission an executed original, or executed counterparts thereof, of the Allison Unit Agreement not later than 30 days after the effective date thereof.

SECTION 5. That any party owning rights in the unitized substances who does not commit such rights to said Unit Agreement before the effective date thereof may thereafter become a party thereto by subscribing to such Agreement or a counterpart thereof. The Unit Operator shall file with the Commission within 30 days an original of any such counterpart.

SECTION 6. That the order herein shall become effective on the first day of the calendar month next following the approval of Commissioner of Public Lands and the Secretary of the Interior and shall terminate ipso facto on the

termination of said Unit Agreement. The last Unit Operator shall immediately notify the Commission in writing of such termination.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

THOMAS J. MABRY, CHAIRMAN

GUY SHEPARD, MEMBER

R. R. SPURRIER, SECRETARY

UNITED STATES  
DEPARTMENT OF THE INTERIOR  
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

2006 APR 20 PM 2 49

1a. Type of Work DRILL	5. Lease Number USA SF-078083-A Unit Reporting Number NM NM-0783272C	RECEIVED 078483A 070 FARMINGTON NM
1b. Type of Well GAS	6. If Indian, All. or Tribe	
2. Operator <b>BURLINGTON</b> RESOURCES Oil & Gas Company	7. Unit Agreement Name Allison Unit	
3. Address & Phone No. of Operator PO Box 4289, Farmington, NM 87499 (505) 326-9700	8. Farm or Lease Name	
	9. Well Number 77	
4. Location of Well Unit M (SWSW), 375' FSL, 865' FWL  Latitude 36° 59.4181 Longitude 107° 31.4074	10. Field, Pool, Wildcat Los Pinos Frt Snd PC, South	
	11. Sec., Twn, Rge, Mer. (NMPM) M Sec. 12, T32N, R7W API # 30-045-33659	
14. Distance in Miles from Nearest Town	12. County San Juan	13. State NM
15. Distance from Proposed Location to Nearest Property or Lease Line 375'	17. Acres Assigned to Well 175.7 W/2 PC 169.35	
16. Acres in Lease		
18. Distance from Proposed Location to Nearest Well, Drlg. Compl. or Applied for on this Lease 53' - Allison Unit #13	20. Rotary or Cable Tools Rotary	
19. Proposed Depth 3423'		
21. Elevations (DF, FT, GR, Etc.) 6591'	22. Approx. Date Work will Start	
23. Proposed Casing and Cementing Program See Operations Plan attached		
24. Authorized by: <u>Patsy Chugil</u> Sr. Regulatory Specialist	3/20/06 Date	

PERMIT NO.

APPROVAL DATE

APPROVED BY [Signature]

TITLE AFM

DATE 5/8/06

Archaeological Report attached

Threatened and Endangered Species Report attached

NOTE: This format is issued in lieu of U.S. BLM Form 3160-3

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or presentations as to any matter within its jurisdiction.

NMOCDO

DISTRICT I  
1626 N. French Dr., Hobbs, N.M. 88240

State of New Mexico  
Energy, Minerals & Natural Resources Department

Form C-10  
Revised August 15, 200

DISTRICT II  
511 South First, Artesia, N.M. 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, N.M. 87410

DISTRICT IV  
2040 South Pacheco, Santa Fe, NM 87506

OIL CONSERVATION DIVISION

2040 South Pacheco  
Santa Fe, NM 87506

Submit to Appropriate District Office  
State Lease - 4 Cople  
Fee Lease - 3 Cople

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

*API Number 30-045- 33659	*Pool Code 80690	*Pool Name Los Pinos; Frt Snd PC, South
*Property Code 6784	*Property Name ALLISON UNIT	*Well Number 77
*OGRD No. 14538	*Operator Name BURLINGTON RESOURCES OIL AND GAS COMPANY LP	*Elevation 6591'

10 Surface Location

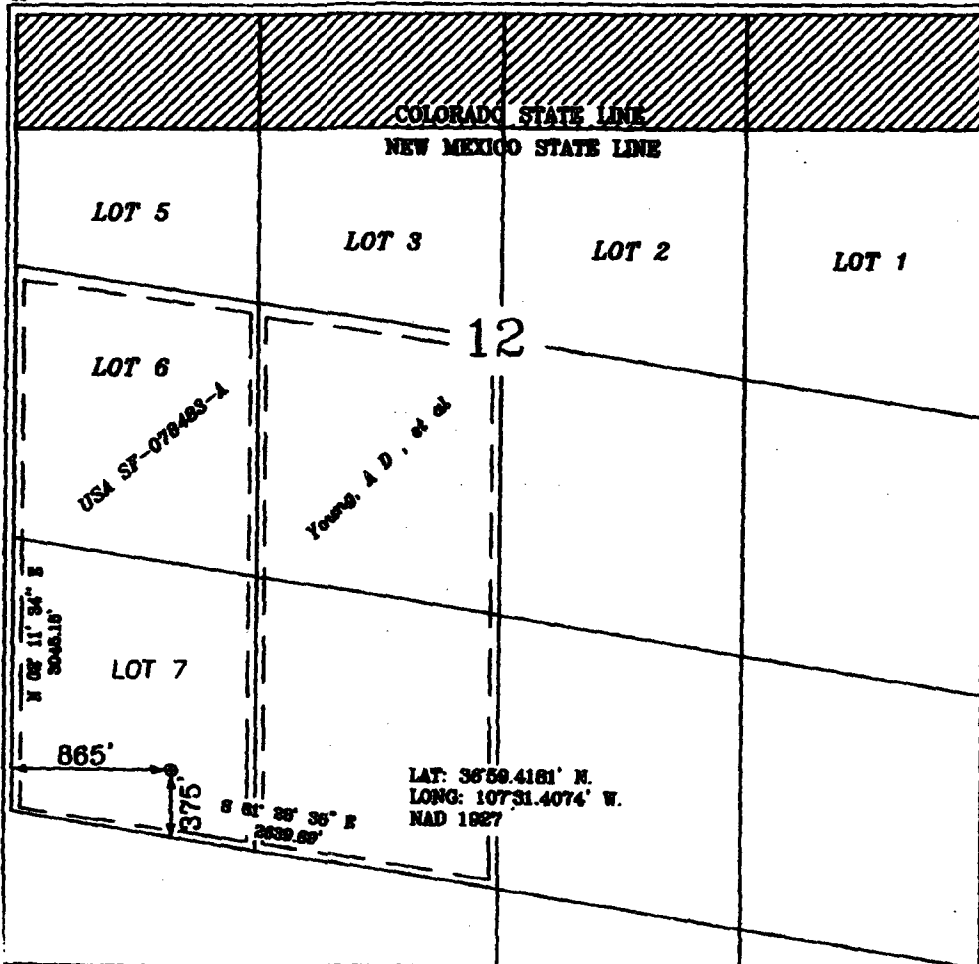
UL or lot no.	Section	Township	Range	Lot 1/4	Feet from the	North/South line	Feet from the	East/West line	County
M	12	32-N	7-W	(7)	375'	SOUTH	665'	WEST	SAN JUAN

11 Bottom Hole Location If Different From Surface

UL or lot no. N	Section 12	Township 32-N	Range 7-W	Lot 1/4 (7)	Feet from the	North/South line	Feet from the	East/West line	County
*Dedicated Acres PC 175.7 ac w2 169.35					*Joint or Infill		*Consolidation Code		*Order No.

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED  
OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

16



17 OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

*Patsy Clugston*  
Signature  
Patsy Clugston  
Printed Name  
Sr. Regulatory Specialist  
Title  
2/14/2006  
Date

18 SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Date of Survey: 1/14/06  
Signature: *Allen W. Russell*  
GREEN NEW MEXICO  
15703  
LICENSED PROFESSIONAL SURVEYOR  
Certificate Number: 15703

Submit 3 Copies To Appropriate District Office

District I  
1625 N. French Dr., Hobbs, NM 88240  
District II  
1301 W. Grand Ave., Artesia, NM 88210  
District III  
1000 Rio Brazos Rd., Aztec, NM 87410  
District IV  
1220 S. St. Francis Dr., Santa Fe, NM 87505

State of New Mexico

Energy, Minerals and Natural Resources

Form C-103

May 27, 2004

OIL CONSERVATION DIVISION

1220 South St. Francis Dr.  
Santa Fe, NM 87505

WELL API NO.	30-045- 33659
5. Indicate Type of Lease	STATE <input type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil & Gas Lease No.	USA SF-078483-A
7. Lease Name or Unit Agreement Name	Allison Unit
8. Well Number	77
9. OGRID Number	14538
10. Pool name or Wildcat	Los Pinos Frt Snd PC, South

SUNDRY NOTICES AND REPORTS ON WELLS  
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well:  
Oil Well ☐ Gas Well ☒ Other

2. Name of Operator  
BURLINGTON RESOURCES OIL & GAS COMPANY LP

3. Address of Operator  
3401 E. 30TH STREET, FARMINGTON, NM 87402

4. Well Location  
Unit Letter M : 375' feet from the South line and 865' feet from the West line  
Section 12 Township 32N Rng 7W NMPM County San Juan

11. Elevation (Show whether DR, RKB, RT, GR, etc.)  
6591'

Pit or Below-grade Tank Application ☐ or Closure ☐

Pit type new drill Depth to Groundwater >100' Distance from nearest fresh water well >1000' Distance from nearest surface water >1000'  
Pit Liner Thickness: n/a mil Below-Grade Tank: Volume bbls; Construction Material

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐  
TEMPORARILY ABANDON ☐ CHANGE PLANS ☐  
PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐

OTHER: New Drill Pit ☒

SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐  
COMMENCE DRILLING OPNS. ☐ P AND A ☐  
CASING/CEMENT JOB ☐

OTHER: ☐

13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

New Drill, Unlined:

Burlington Resources proposes to construct a new drilling pit and an associated vent/flare pit. Based on Burlington's interpretation of the Ecosphere's risk ranking criteria, the new drilling pit and vent/flare pit will be an unlined pit as detailed in Burlington's Revised Drilling / Workover Pit Construction / Operation Procedures dated November 11, 2004 on file at the NMOCD office. A portion of the vent/flare pit will be designed to manage fluids, and that portion will be unlined, as per the risk ranking criteria. Burlington Resources anticipates closing these pits according to the Drilling / Workover Pit Closure Procedure dated August 2, 2004 on file at the NMOCD office.

I hereby certify that the information above is true and complete to the best of my knowledge and belief. I further certify that any pit or below-grade tank has been/will be constructed or closed according to NMOCD guidelines ☐, a general permit ☒ or an (attached) alternative OCD-approved plan ☐.

SIGNATURE Patsy Clugston TITLE Sr. Regulatory Specialist DATE 2/23/2006

Type or print name Patsy Clugston E-mail address: pclugston@br-inc.com Telephone No. 505-326-9518  
For State Use Only

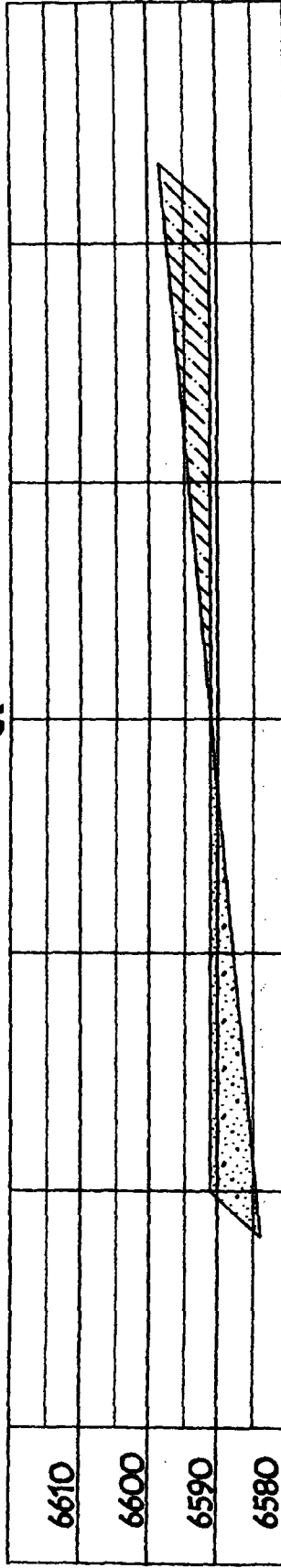
APPROVED BY [Signature] TITLE DEPUTY OIL & GAS INSPECTOR, DIST. 60 DATE MAY 11, 2006  
Conditions of Approval (if any):



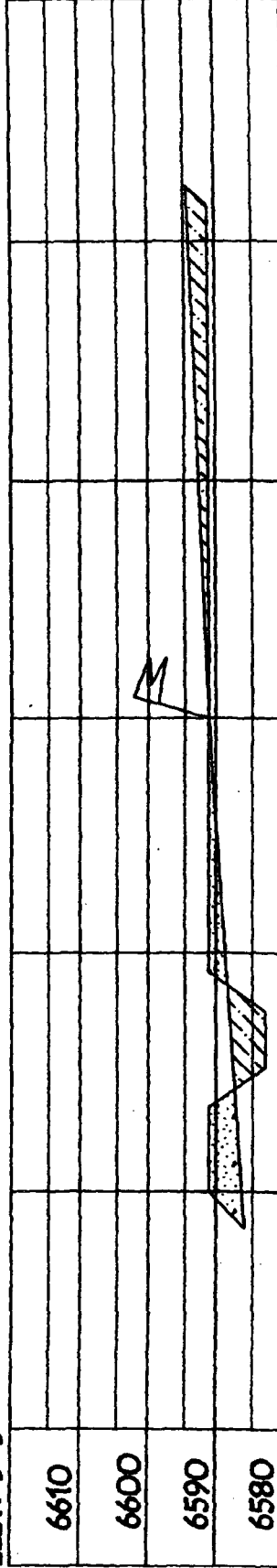


**BURLINGTON RESOURCES OIL & GAS COMPANY LP**  
**ALLISON UNIT 77, 375' FSL & 865' FWL**  
**SECTION 12, T-32-N, R-7-W, NMPM, SAN JUAN COUNTY, NM**  
**GROUND ELEVATION: 6591', DATE: JANUARY 5, 2006**

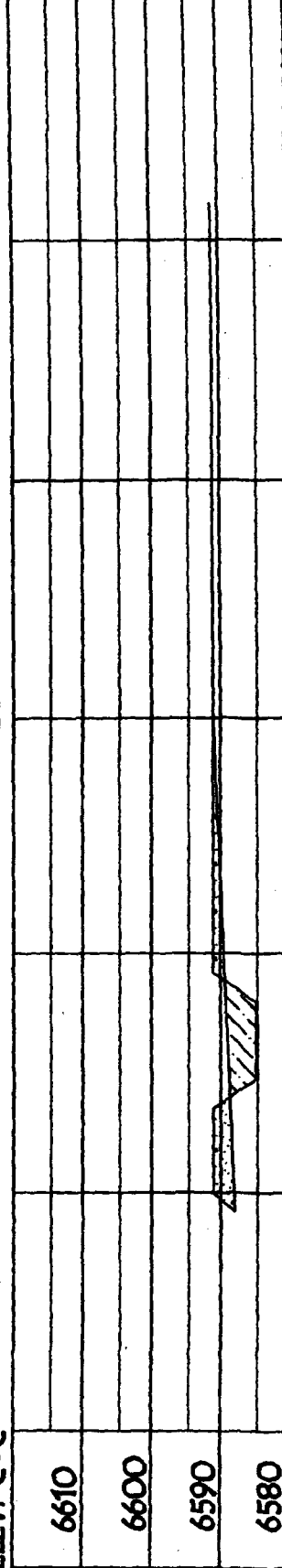
**ELEV. A'-A**



**ELEV. B'-B**



**ELEV. C'-C**



**NOTE: VECTOR SURVEYS IS NOT LIABLE FOR UNDERGROUND UTILITIES OR PIPELINES.  
 CONTRACTOR SHOULD CALL ONE-CALL FOR LOCATION OF ANY MARKED OR UNMARKED BURIED  
 PIPELINES OR CABLES ON WELL PAD AND OR ACCESS ROAD AT LEAST TWO (2) WORKING DAYS PRIOR TO CONSTRUCTION.**

March 1, 2006

OPERATIONS PLAN

**Well Name:** Allison Unit #77  
**Location:** Unit M (SWSW) 375' FSL & 865' FWL, Section 12, T32N, R7W  
 San Juan County, New Mexico  
 Latitude 36° 59.4181'N; Longitude 107° 31.4074'W  
**Formation:** Los Pinos Frt Sand PC, South  
**Elevation:** 6591' GR

Formation:	Top	Bottom	Contents
Surface	San Jose		
Ojo Alamo	2376'		
Kirtland	2433'	3113'	gas
T/Fruitland	3113'		gas
Pictured Cliffs	3223'		
Total Depth	3423'		

**Logging Program:** None

**Mud Program:**

<u>Interval</u>	<u>Type</u>	<u>Weight</u>	<u>Vis. Fluid Loss</u>
0- 120'	Spud-Mud/Air/Air Mist	8.4-8.9	40-50 no control
120-3423'	Non-dispersed	8.4-9.5	30-60 no control

**Casing Program:**

<u>Hole Size</u>	<u>Depth Interval</u>	<u>Csg. Size</u>	<u>Wt.</u>	<u>Grade</u>
8 1/2"	0 - 120'	7"	20.0#	J-55
6 1/2"	0 - 3423'	4 1/2"	10.5#	J/K-55

**Tubing Program:**

0 - 3423'	2 3/8"	4.7#	J-55
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**Float Equipment:** 7" surface casing - guide shoe. Centralizers will be run in accordance with Onshore Order #2.

4 1/2" production casing - float shoe and float collar on bottom. Centralizers run every third joint above shoe to the base of the Ojo Alamo @ 2433'. Two turbolizing type centralizers - one below and one into the base of the Ojo Alamo @ 2433'. Standard centralizers thereafter every fourth joint up to the base of the surface pipe.

**Wellhead Equipment:** 7" x 4 1/2" x 2 3/8" x 11" 2000 psi xmas tree assembly.

March 1, 2006

**Cementing:**

7" surface casing Pre-Set Drilled - Cement with Type I, II cement with 20% flyash mixed at 14.5 ppg, 1.61 cu ft per sack yield. (Bring cement to surface). Wait on cement for 24 hours for pre-set holes before pressure testing or drilling out from under surface.

7" surface casing - Cement with 42 sx Type III cement with 0.25 pps Celloflake, 3% CaCl. (54cu ft of slurry @ 1.28 yield). 200% excess, bring cement to surface. Wait on cement for 8 hrs for conventionally set holes before pressure testing or drilling out from under surface. WOC until cement establishes 250 psi compressive strength prior to NU of BOPE.

4 1/2" production casing - Cement with 189sx (402 cf of slurry @ 2.13 yield) Premium Lite with 3% calcium chloride, 5 pps LCM-1, and 1/4#/sack celloflake, 0.4% FL-52, & 0.4% SMS. Tail with 90sx (124 cf of slurry @ 1.38 yield) Type III cmt with 1% calcium chloride, 1/4#/sack Celloflake and 0.2% FL-52. Total of 526 cf - 50% excess to circulate to surface.

**BOP and tests:**

Surface to TD - 11" 2000 psi (minimum double gate BOP stack (Reference Figure #1 and #2). Prior to drilling out surface casing, test ~~rams~~ <sup>BOPE</sup> to 600 psi/30 min.

Completion - 6" 2000 psi (minimum) double gate BOP stack (Reference Figure #2). Prior to completion operations, test rams and casing to 1500 psi/30 min.

From surface to TD - choke manifold (Reference Figure #3).

Pipe rams will be actuated at least once each day and blind rams actuated once each trip to test proper functioning. An upper kelly cock valve with handle and drill string safety valves to fit each drill string will be maintained and available on the rig floor.

**Additional information:**

- \* The Fruitland Sands PC formation will be completed.
- \* Anticipated pore pressure for the Fruitland is between 600 - 700 psi.
- \* This gas is dedicated.
- \* The SW/4 of the section is dedicated to Fruitland Sands PC.
- \* New casing will be utilized.
- \* Pipe movement (either rotation or reciprocation) will be done if hole conditions permit.

Adam M. [Signature]  
Drilling Engineer

3/1/2006  
Date